

**BEFORE THE FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, DC 20554**

**IN THE MATTER OF:**

**Request For Review of Decisions of  
Universal Service Administrator**

**FORT OSAGE R-1 SCHOOL DISTRICT  
Independence, Missouri**

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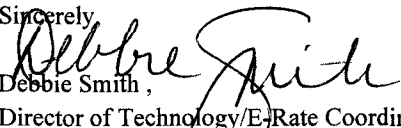
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April 4, 2012, Fort Osage received an email from Program Integrity Assurance (PIA) asking us to verify if the Form 470 which we indicated on the 471 was indeed the establishing form. The letter asked us to verify with a simple yes or no, or if this was not correct referenced 470, to enter the correct 470 application number. The District believed the information entered was correct. A funding denial subsequently arrived and stated that the Form 470 that established the competitive bidding process for this FRN did not include service of this type; therefore it did not meet the 28 day competitive bidding requirement.

At the time of denial, the District believed the basis for denial was because the Form 471 that was filed had incorrectly checked the Internet Access category of service. It was not until receiving a USAC appeal denial that the District initiated a conversation with HATS, a USAC service. HATS explained that the 470 category (rather than Form 471 category) was indeed the issue and had it been caught during the PIA review, it could have been corrected at that time under *Bishop Perry* guidelines. Had that been clearly explained in the PIA request to the District, the District would have been able to change it through PIA, therefore giving the applicant the opportunity to resolve it and thus prevent the funding denial.

We request your acceptance of this documentation and reconsider USAC's decision to deny the funding request. Thank you for your time and attention to this matter.

Sincerely,  
  
Debbie Smith,  
Director of Technology/E-Rate Coordinator  
Fort Osage R 1 School District

DEC 18 2012

FCC Mail Room



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2012-2013**

October 16, 2012

Debbie Smith  
Fort Osage School District R 1  
2101 N. Twyman Rd.  
Independence, MO 64058-3200

Re: Applicant Name: FORT OSAGE SCHOOL DISTRICT R 1  
Billed Entity Number: 137119  
Form 471 Application Number: 840746  
Funding Request Number(s): 2280907  
Your Correspondence Dated: July 16, 2012

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2012 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2280907  
Decision on Appeal: **Denied**  
Explanation:

- According to our records, the service being requested on Block 5 of the Form 471 application is Internet Access. The cited establishing Funding Year 2012 Form 470 (167390000936226) did not post for this service category, which is a violation of the 28 day competitive bidding requirements of this support mechanism. The support documentation submitted as Item 21 supports Internet Access as being requested. During the initial review process Program Integrity Assurance (PIA) had contacted Fort Osage School District R 1 to make the District aware of the program violation. The District was asked to verify if the referenced Form 470 was the establishing form for the Internet access requested. Additionally, the District was given an opportunity to cite an alternate Form 470 in order to cure the program's violation. In an e-mail dated April 4, 2012, the District stated that the Form 470 that was originally cited on Block 5 established

the bidding requirement for the service. As this information was the same as the original input, the program violation was not cured and the request was denied. On appeal, you have failed to provide any evidence that USAC erred in its initial determination or that Fort Osage School District R 1 is in compliance with the Schools and Libraries support mechanism competitive bidding requirements. Consequently, your appeal is denied.

- FCC rules require that all products and services for which an applicant requests discounts on an FCC Form 471 must be competitively bid on an FCC Form 470. The FCC Form 470 must include a complete description of the services for which discounts are sought, be posted on the website for 28 days, and applicants must carefully consider all bids received before selecting a vendor, entering into an agreement or signing a contract, and signing and submitting an FCC Form 471. *See* 47 C.F.R. secs. 54.503(b) and (c), 54.511(a) and (c). These competitive bidding requirements help to ensure that applicants receive the lowest pre-discount price from vendors. *See* Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd 10095, 10098, FCC 97-246 para. 9 (rel. Jul. 10, 1997). The only exceptions to the posting requirement are for: (1) contracts signed on or before July 10, 1997 for the life of the contract; and (2) contracts signed between July 10, 1997 and before January 30, 1998 (the date on which the website became operational) for products and/or services provided under such contract between January 1, 1998 and December 31, 1998. *See* 47 C.F.R. secs. 54.511(c).

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company



Received & Inspected  
DEC 18 2012  
FCC Mail Room

**Dr. Mark Enderle**  
*Superintendent of Schools*  
Gragg Administration Center  
2101 N. Twyman Road  
Independence,  
Missouri  
64058

**Telephone**  
(816) 650-7000

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(816) 650-7195

Carol Peppers  
Director

July 16, 2012

Letter of Appeal  
School and Libraries Division-Correspondence Unit  
30 Landex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

To Whom It May Concern:

I am writing this letter to appeal the decision of Form 471 application number 840746 for Funding Year 2012 that was denied because it did not meet the 28 day competitive bidding requirement because the 470 did not include this service.

The appellant is Debbie Smith, Director of Technology for the Fort Osage R1 School District. I can be reached at 816-650-7087 and available by email at [dsmith@fortosage.net](mailto:dsmith@fortosage.net). Our BEN is 137119 and this issue is regarding SPIN 143031119 for Intrafinity, Inc.

Form 470 Application # 167390000936226 was certified on October 11, 2011 seeking services for webhosting under Telecommunication services, Priority 1 category. When 471 application # 840746 was filed for this service, it was marked as Internet Service on **ERROR**, it should have been Telecommunications services, but was not caught on the 471 verification letter sent in February 2012. If not for the clerical error, the application did meet the 28 day competitive bidding requirement and was filed for the correct service; therefore it should have been funded.

I am attaching the Form 470 application as reference for the correct filing category, please contact me if you need any additional items.

Thank you,

Debbie Smith  
Director of Technology and E-Rate Appellant

**Smith, Debbie**

**From:** Smith, Debbie  
**Sent:** Wednesday, April 04, 2012 3:58 PM  
**To:** Ortegón, Jacqueline  
**Cc:** Smith, Debbie  
**Subject:** RE: FCC Form 471 Application Number 840746 1.15 estb FCC Form 470 for this service & Web Bill Response Due Date April 19, 2012  
**Attachments:** Entity 137119 FY 12 471 App #840746.pdf

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**From:** Ortegón, Jacqueline [mailto:Jacqueline.ORTEGON@sl.universalservice.org]  
**Sent:** Wednesday, April 04, 2012 1:37 PM  
**To:** Smith, Debbie  
**Subject:** FCC Form 471 Application Number 840746 1.15 estb FCC Form 470 for this service & Web Bill Response Due Date April 19, 2012  
**Importance:** High

Response Due Date: April 19, 2012

The Program Integrity Assurance (PIA) team is in the process of reviewing all Funding Year 2012 FCC Form 471 Applications to ensure that they are in compliance with the rules of the Universal Service program. We are currently in the process of reviewing your Funding Year 2012 FCC Form 471 Application. To complete our review, we need some additional information. The information needed to complete the review is listed below.

**I.**

On your original FCC Form 471 you indicated that FCC Form 470 # 167390000936226 is the establishing FCC Form 470 for the services requested on this FCC Form 471. This FCC Form 470 did not post in the appropriate service category for the services requested on the FCC Form 471, which is a violation of the competitive bidding requirements of the Program.

Is the referenced FCC Form 470 the establishing FCC Form 470 for this service? ☐ yes ☐ No

If the referenced FCC Form 470 is NOT the establishing FCC Form 470 please provide the 15-digit FCC Form 470 number that did establish the bidding for this service: \_\_\_\_\_.

The establishing FCC Form 470 is the specific FCC Form 470, which was posted to the USAC website for that particular service for at least 28 days, and pursuant to which a contract was signed or an agreement was entered into with a service provider for that service. (It was posted for at least 28 days and we received several RFP's for the process, so the box should have been checked yes. we did post it on our website. We have always filed our webhosting under Telecommunications, not basic maintenance or internal connections. A new contract was signed after the 28 waiting period and 471 was filed based on the new information.

For a request in the Basic Maintenance of Internal connections (BMIC) service category that was filed prior to May 1, 2005, it is possible that the establishing FCC Form 470 was filed under an Internal Connections service category (prior to May 1, 2005 the BMIC service category did not exist on the Form 470).

Please note that the establishing FCC Form 470 could have been posted by your State, if the requested services are being purchased off of a State Master Contract. Please indicate if this is the case.

**II. Item 21 quote/bill attached**

Based on the review of your FY 2011 Form 471 application # 840746, for FRN 2280907 for Web Service @ \$ 853.59, the documentation you provided in your Item 21 Attachments is not sufficient to determine the eligibility of your request. The documentation does not sufficiently describe the products and services being requested, so we cannot determine the eligibility of your request.

DEC 18 2012

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Schools and Libraries Division

**FUNDING COMMITMENT DECISION LETTER**  
 (Funding Year 2012: 07/01/2012 - 06/30/2013)

July 10, 2012

Debbie Smith  
 FORT OSAGE SCHOOL DISTRICT R 1  
 2101 N TWYMAN RD  
 INDEPENDENCE, MO 64058-3200

**Re: Form 471 Application Number: 840746**  
**Billed Entity Number (BEN): 137119**  
**Billed Entity FCC RN: 0010235604**  
**Applicant's Form Identifier: fyl2 471 webhosting**

Thank you for your Funding Year 2012 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$6,965.29 is "Denied."

Please refer to the Report following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file FCC Form 486, Receipt of Service Confirmation Form. A guide that provides a definition for each line of the Report is available in the Reference Area of our website.

**NEXT STEPS**

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA requirements
- File Form 486
- Invoice USAC using the Form 474 (service provider) or Form 472 (Billed Entity applicant) - as products and services are being delivered and billed

**TO APPEAL THIS DECISION:**

You have the option of filing an appeal with the SLD or directly with the Federal Communications Commission (FCC).

If you wish to appeal a decision in this letter to USAC, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
  - Appellant name,
  - Applicant name and service provider name, if different from appellant,
  - Applicant BEN and Service Provider Identification Number (SPIN),
  - Form 471 Application Number 840746 as assigned by USAC,
  - "Funding Commitment Decision Letter for Funding Year 2012," AND
  - The exact text or the decision that you are appealing.

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FUNDING COMMITMENT REPORT  
Billed Entity Name: FORT OSAGE SCHOOL DISTRICT R 1  
BEN: 137119  
Funding Year: 2012



Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 840746  
Funding Request Number: 2280907  
Funding Status: Not Funded  
Category of Service: Internet Access  
Form 470 Application Number: 167390000936226  
SPIN: 143031119  
Service Provider Name: Intrafinity Inc  
Contract Number: SS-12CN-137119  
Billing Account Number: 8166507000  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2012  
Service End Date: N/A  
Contract Award Date: 02/07/2012  
Contract Expiration Date: 06/30/2015  
Shared Worksheet Number: 1415818  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$10,243.08  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$10,243.08  
Discount Percentage Approved by the USAC: 68%  
Funding Commitment Decision: \$0.00 - 28 Day Waiting Period Violated  
Funding Commitment Decision Explanation: DR1: The FCC Form 470 that established the competitive bidding process for this ERN did not include service of this type; ~~therefore it does not meet the 28 day competitive bidding requirement.~~ ★

FCDL Date: 07/10/2012  
Wave Number: 001  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013  
Consultant Name:  
Consultant Number (CRN):  
Consultant Employer:



## Form 471 840746 RAL Funding Requests Report

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DEC 18 2012

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ERN: 2280907

IF YOU WISH TO CANCEL THIS ERN, PLEASE CHECK HERE \_\_\_\_\_

Item #	Data Entered on FCC Form 471	Make Corrections Here
11. Category of Service	Internet Access	
12. 470 App#	167390000936226	
13. SPIN	143031119	
14. Service Provider Name	Intrafinity Inc	
15b. Contract Number	SS-12CN-137119	
16a. Billing Account Number	8166507000	
16b. Multiple Billing Account Numbers	N	
18. Contract Award Date	02/07/2012	
19. Service Start Date	07/01/2012	
20a. Service End Date		
20b. Contract Expiration Date	06/30/2015	
22. Block 4 Entity or Worksheet No	1415818	
23a. Monthly Charges	\$880.00	
23b. Ineligible Monthly Amt	\$26.41	
23c. Eligible Monthly Amt	\$853.59	
23d. Number of months of service	12	
23e. Annual Pre-discount Amount for eligible recurring charges	\$10,243.08	Calculated - Not Input
23f. Annual Non-Recurring (One-Time) Charges	\$0.00	
23g. Ineligible Non-Recurring Amount	\$0.00	
23h. Annual Pre-discount Amount for eligible Non-Recurring charges	\$0.00	Calculated - Not Input
23i. Total Pre-discount Amt	\$10,243.08	Calculated - Not Input
23j. Discount from Block 4	68	See Block 4 Above
23k. Funding Commitment Request	\$6,965.29	Calculated - Not Input
25f. Service provider assistance with funding	No	